



California Independent  
System Operator Corporation

June 23, 2006

**Via Electronic Filing**

The Honorable Magalie R. Salas  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

**Re: LSP Oakland, LLC and LSP South Bay, LLC  
Docket Nos. ER06-1073-000 and ER06-1074-000**

Dear Secretary Salas:

Transmitted herewith for electronic filing in the above-referenced proceedings is the Motion to Intervene and Protest of the California Independent System Operator Corporation.

Thank you for your attention to this matter.

Yours truly,

**/s/ Sidney Mannheim Davies**

Sidney Mannheim Davies  
Assistant General Counsel  
Counsel for the California Independent  
System Operator Corporation

Enclosure  
cc: Service List

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

<b>LSP Oakland, LLC and LSP South Bay, LLC</b>	) ) )	<b>Docket No. ER06-1073-000 and ER06-1074-000</b>
--	-------------	---

**MOTION TO INTERVENE AND PROTEST OF THE  
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

Pursuant to Rule 214 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. § 385.214, and the Commission’s June 9, 2006, Notice of Filing, the California Independent System Operator Corporation (“CAISO”) submits this Motion to Intervene in the above captioned proceeding. In support thereof, the CAISO states as follows:

**I. DESCRIPTION OF THE PROCEEDING**

On June 2, 2006, LSP Oakland, LLC and LSP South Bay, LLC submitted a notification to FERC that they have succeeded, solely as a result of a name change, to the Reliability Must-Run (“RMR”) Agreements between Duke Energy Oakland, LLC and Duke Energy South Bay, LLC and CAISO.

By its Notice issued June 9, 2006, the Commission established June 23, 2006, as the comment date motions in the above-captioned proceeding.

**II. DESCRIPTION OF THE ISO AND COMMUNICATIONS**

The CAISO is a non-profit public benefit corporation organized under the laws of the State of California with its principal place of business at 151 Blue Ravine Road, Folsom, CA 95630. The CAISO is the Control Area operator responsible for the reliable operation of the electric grid comprising the transmission systems of a number of utilities including Pacific Gas and Electric

Company (“PG&E”) and San Diego Gas & Electric Company (“SDG&E”) as well as the coordination of the ancillary services and real-time electricity markets in California.

The CAISO requests that all communications and notices concerning this motion and these proceedings be provided to:

Sidney Mannheim Davies  
Assistant General Counsel  
California Independent System  
Operator Corporation  
151 Blue Ravine Road  
Folsom, CA 95630  
Tel: (916) 608-7144  
Fax: (916) 608-7222  
E-mail: sdavies@caiso.com

Robert C. Kott  
Manager of Model and Contract  
Implementation  
California Independent System  
Operator Corporation  
151 Blue Ravine Road  
Folsom, CA 95630  
Tel: (916) 608-5804  
Fax: (916) 351-2487  
E-mail: rkott@caiso.com

### **III. CAISO’S INTEREST**

LSP Oakland’s Units are located within PG&E’s transmission system and LSP South Bay’s Units are located within SDG&E’s transmission systems. Both facilities are needed to maintain the reliability of the ISO Controlled Grid. As the Control Area operator and as the counter party to the RMR Agreements, the CAISO has a unique interest in any Commission proceeding that affects an RMR Agreement. Accordingly, the CAISO has a direct and substantial interest in this proceeding and requests that it be permitted to intervene. Because no other party can adequately represent the CAISO’s interests in this proceeding, the CAISO’s intervention is in the public interest and should be granted.

### **IV. PROTEST**

The CAISO has no objection to the intended purpose of the instant filing, namely to notify the Commission and interested parties of the name change of

the owners of the Oakland and South Bay RMR Units and of the consequent name change of the RMR Owners to be reflected in the RMR Agreements. The RMR Agreements as filed however, do not reflect the agreed upon changes to certain rate schedules to the RMR Agreement applicable to the South Bay RMR Units as set forth in the April 25, 2006 joint offer of settlement, which the Commission recently approved in its June 22, 2006 *Order Approving Uncontested Settlement*, 115 FERC ¶ 61,360. The affected rate sheets include, but may not be limited to: Sheet No. 126; Sheet No. 130; Sheet No. 130A; Sheet No. 131; Sheet No. 131A; Sheet No. 134; Sheet No. 137 and Sheet No. 138.

The CAISO has brought this matter to the attention of LSP South Bay and hopes that LSP will file corrected rate sheets. In any event, the Commission's acceptance of LSP South Bay's filing should be conditioned upon the making of a compliance filing to reflect the April 25, 2006 settlement as approved by the Commission on June 22, 2006.

///

///

///

///

///

///

///

///

**V. CONCLUSION**

For the foregoing reasons, the CAISO respectfully requests that the Commission grant this Motion to Intervene and make the CAISO a party in the above-caption proceeding with full rights of participation.

Dated: June 23, 2006

Respectfully submitted

**/s/ Sidney Mannheim Davies**

Sidney Mannheim Davies  
California Independent System  
Operator Corporation  
151 Blue Ravine Road  
Folsom, CA 95630  
(916) 608-7144 (tel)  
(916) 608-7222 (fax)

## **CERTIFICATE OF SERVICE**

I hereby certify that I have, this 23<sup>nd</sup> day of June 2006, caused to be served a copy of the forgoing document upon all parties listed on the official service list compiled by the Secretary of the Federal Energy Regulatory Commission in this proceeding.

**/s/ Sidney Mannheim Davies**  
Sidney Mannheim Davies